

# SUMMARY FINANCIAL FINDINGS OF THE PROPOSED DRIC PROJECT

October 11, 2011

CONWAY MACKENZIE

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- ▶ Conway Mackenzie, Inc. ("CM") is an international consulting firm specializing in turnaround and crisis management, transaction advisory, litigation support, and valuation and forensic advisory services. The firm is headquartered in Detroit, Michigan and has offices in Houston, Dallas, Atlanta, Chicago, Dayton, Frankfurt, London, Los Angeles and New York.
- ▶ As one of the founders of CM I have been with the firm since its inception in 1987. Previously, I was a Partner at Deloitte & Touche where I specialized in insolvency, litigation, and mergers and acquisitions.
- ▶ I am nationally recognized in the fields of insolvency/bankruptcy; financing, reorganization and management of troubled companies; mergers and acquisitions; debt restructuring; and litigation support. I have been engaged as a financial advisor to clients in various industries, including: automotive, manufacturing, steel, service, transportation, distribution and contracting.
- ▶ As part of my presentation today, you have each been provided a copy of my May 2011 report, as well as other press conference and press release materials I have previously published.
- ▶ CM was engaged by the Detroit International Bridge Company ("DIBC") in March 2011 to provide professional services related to estimating certain cash flow impacts of building and operating the Detroit River International Crossing ("DRIC").

- ▶ In May 2011, I produced a report that is the only published comprehensive financial study that details the estimated cash flows of the proposed DRIC project.
- ▶ My analysis was based on information published by the Michigan Department of Transportation ("MDOT"), Transport Canada, independent expert traffic studies, and other publicly available information (i.e., published actual Detroit/Windsor traffic crossing volumes and Blue Water Bridge Canada audited financial statements).
- ▶ There are specific project risks and issues with the DRIC that had I included in my May 2011 report, would have negatively impacted my estimated cash flow calculation:
  - ❑ Traffic Projection Risk – traffic projections have a tendency to be overstated. The Anderson Economic Group ("Anderson") published a study on the proposed DRIC in September 2011 that points out that traffic estimates for toll roads in the U.S. are on average 42% overstated.
  - ❑ Construction Cost Overrun Risk – large scale infrastructure projects are notorious for being over budget. For example, the Zilwaukee Bridge exceeded its original cost estimate by 57%. Anderson reviewed ten large scale infrastructure projects in the U.S. and found they had an average cost overrun of 61% or \$1.4 billion (exclusive of Windsor Essex \$1.4 billion) in the case of the proposed DRIC.
  - ❑ Financing Risk – In my professional opinion the proposed DRIC project would not be able to obtain financing due to the lack of financial viability. That said, I assumed in my report that the DRIC would be able to obtain financing based on a 25 year amortization and an 8% interest rate for calculation purposes only.

- ☐ No Incremental Business – the proposed DRIC's total toll revenue only includes displaced toll revenues from the other three existing crossings.
- ☐ Competitor/Market Risk – my calculation of the estimated cash flow losses is based on projections that ignore the fact that competitors of the DRIC (Detroit-Windsor Tunnel, Blue Water Bridge, and Ambassador Bridge) would likely react in a way to protect their traffic crossing market share.
- ☐ Again, none of the above risks were included in my May 2011 calculations as I wanted to err on the side of conservative estimates.
- ▶ There are also a number of other factors that could significantly impact the success of the project, including, but not limited to:
  - ☐ There is no DRIC business plan, inclusive of financial projections.
  - ☐ Traffic projections do not appear to justify the significant cost of the DRIC as MDOT's own commissioned traffic study states that traffic volumes will not exceed 1999 levels until 2028.
  - ☐ There is a lack of legally binding agreements that address how the financial shortfall of the DRIC will be covered.
  - ☐ There is no identified financing source or capital structure.

- ▶ I concluded in my May 2011 report that the DRIC was not financially viable due to projected toll revenues not being sufficient to cover the operating expenses and debt service of the DRIC. In fact, the total cash flow losses to the U.S./Michigan would approximate \$1.5 billion from 2016 through 2035 and range annually between approximately \$67 million and \$85 million in my primary calculation. Subsequent to 2035, the DRIC will continue to incur annual estimated net cash flow losses.
- ▶ I also performed a secondary calculation utilizing more aggressive traffic volumes and lower operating expenses as estimated by MDOT which resulted in cash flow losses to the U.S./Michigan of approximately \$1.2 billion from 2016 through 2035.
- ▶ It is important to note that in both of the above calculations, I do not include likely project cost overruns or adjust for likely overly optimistic traffic volume projections.
- ▶ Even if we assume there was no interest on Canada's \$550 million loan, the cash flow loss in 2016 is still in excess of \$40 million before considering loss profits (cash flows) from the other publicly owned crossings.
- ▶ Significant cash flow losses would also be incurred by Canada during the same projected time frame for both calculations.
- ▶ Due to the projected significant cash flow losses to Michigan/U.S. at the outset and the inherent project risks, no private investor would put money in the proposed DRIC project.

- ▶ There have been no identified financial expert sources which have successfully challenged and rebutted my finding that the DRIC is not financially viable. In fact, the only identified financial expert sources I have seen appear to support several of my findings.
  - ❑ Anderson Economic Group – The DRIC project is not financially feasible based on available traffic projections.
  - ❑ Pat O’Keefe – O’Keefe & Associates – “has concerns that a new bridge will pay for itself.”
  - ❑ David Littman – Senior Economist with Mackinac Center for Public Policy – “Had traffic volumes risen according to Lansing’s forecasts between 2006 and 2011, the premise for building a duplicate bridge might deserve some consideration.”
- ▶ Certain sources have inferred that I used portions of the Canadian DRIC costs in my calculation of Michigan/U.S. cash flow losses. This is false. I have only included the Michigan/U.S. DRIC costs (per MDOT cost information) in my estimate of cash flow losses to the U.S./Michigan (\$1.5 billion from 2016 through 2035).
- ▶ Certain politicians and spokespeople have inferred that my calculations are incorrect because I have included the \$550 million Canadian loan as having to be paid back. The only written document I have from the Minister of Transport, Infrastructure and Communities, Chuck Strahl, dated March 25, 2011, specifically notes that Canada would expect repayment of the \$550 million from anticipated toll revenues. In addition, this document states the loan is up to \$550 million and subject to approval from the Government of Canada.



- ▶ It appears some of the media and certain politicians believe that my opinion on financial viability is not important because Canada is going to “cover the shortfall”. That said, I have not seen a legally binding agreement that states Canada is going to cover the estimated cash flow shortfalls. Additionally, I have not seen any documents or discussion about Canada covering cost overruns or loss profits (cash flows) from the Blue Water Bridge or Detroit-Windsor Tunnel (\$202.7 million from 2016 -2035). As such, it doesn’t appear to me that Canada is going to cover all of the financial risk to Michigan/U.S.
- ▶ Certain politicians and DRIC spokespeople have stated that my numbers are “bogus” and that “I’m cooking up numbers”. I would invite these people to point out examples that prove their statements.
- ▶ I have been paid by the DIBC for my time on this matter. However, I adhere to professional standards that will not allow me to produce reports that I know are inaccurate or misleading. In addition, my professional standards require me to consider all information, assess its reliability, and report my findings objectively.
- ▶ I would also note for the record that the fees paid to my firm by the DIBC for this engagement represent an immaterial amount (less than 1%) of my firm’s annual revenue. My firm is successful today because for over 24 years we have been objective in our findings.
- ▶ Supporters of the DRIC have had ample time to respond to my May 2011 report and challenge the findings. To date, no comprehensive study has been published that challenges my findings.

► I was asked by the DIBC to review the Anderson report, Building a New Bridge in Detroit: A Study Evaluating the Options. Below are my comments:

☐ The Anderson report does not address or comment on the findings contained in my May 2011 report.

☐ That being said, there are several areas of agreement between our reports including:

- The DRIC project is not financially feasible based on available traffic projections.
- Costs overruns are typical for large American infrastructure projects. In fact, the estimated total cost of the DRIC determined by MDOT is lower than the Anderson average cost overrun scenario by approximately \$1.4 billion. Of the \$1.4 billion average cost overrun calculated by Anderson, approximately \$860 million would be allocated to the Michigan/U.S. portion of the DRIC.
- There is a lack of executed legally binding contracts/commitments that guarantee the alleged willingness of the Canadian Government to cover all cash losses of the DRIC and the U.S. Government's willingness to pay approximately \$264 million for customs operations.



- ▶ The DRIC is not financially viable and will lose approximately \$1.5 billion on the Michigan/U.S. side from 2016 through 2035. Again, this calculation does not factor in likely cost overruns or optimistic traffic volume projections of the DRIC project.
- ▶ Between the significant cash flow losses to Michigan/U.S. and the inherent project risk, no financially savvy private individual would invest in the proposed DRIC project.
- ▶ In my 37 years of professional experience, I have never witnessed an investor provide funds to a business that does not show a viable business plan.
- ▶ No identified financial expert has disputed that the proposed DRIC project is not financial viability.

► The legislative body should ensure that all the financial risks to Michigan taxpayers are addressed in a legally binding agreement from Canada or others before incurring additional costs and time on the DRIC project. This is not the case today. In order to address the financial risk to the Michigan/U.S. taxpayers, I believe at a minimum, the following should occur:

- ☐ A legally binding agreement should be received from Canada that provides the approved funding of the Canadian loan that includes terms and conditions for the interest rate, who pays for likely DRIC cost overruns, rights and remedies in the event of a default, dispute resolution procedures, laws of which country, etc.
- ☐ A legally binding commitment should be received from the U.S. government to fund customs operations.
- ☐ A legally binding agreement should be received from a Private Public Partnership ("P3") that includes terms and conditions for building and operating the bridge including but not limited to, final detailed cost of the bridge, toll rate increase procedures, rights and remedies in the event of a default, dispute resolution procedures, etc.

## SUMMARY OF QUALIFICATIONS

CONWAY MACKENZIE

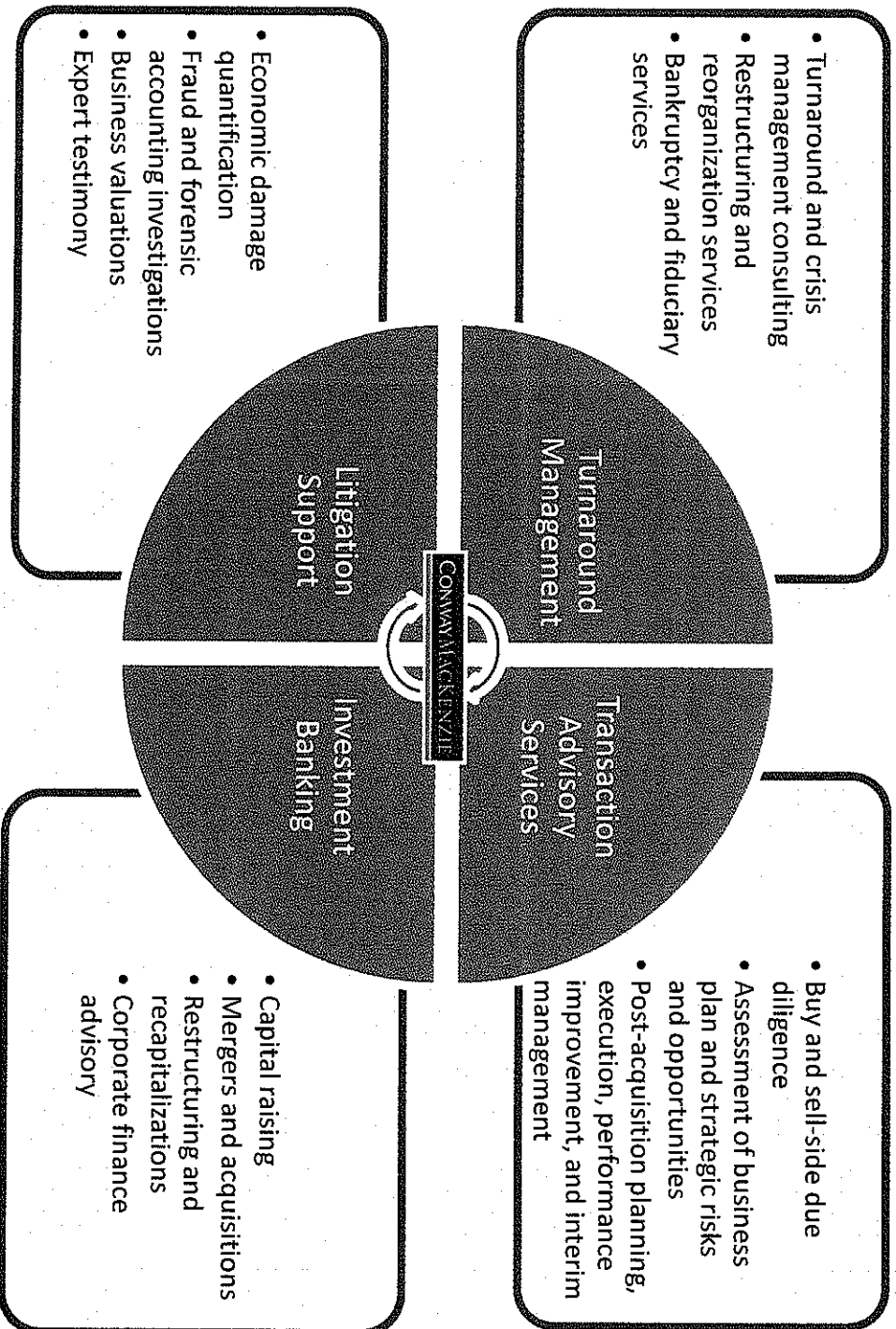
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Conway Mackenzie specializes in working with middle market companies to help them overcome their most complex business challenges.

**Proven Approach:** Conway Mackenzie has earned the trust of constituents that are involved in crisis and turnaround situations. Our reputation for integrity, objectivity, diligence and candor adds confidence to the debtors, creditors, customers, suppliers and other interested parties.

**Seasoned Professionals:** With more than two dozen senior managing directors and managing directors, Conway Mackenzie delivers a hands-on, detailed oriented team that is tailored to meet the specific financial, operational, litigation support and/or capital advisory needs of the situation.

**Global Presence:** Conway Mackenzie has eight United States offices and an international partnership that provides representation in London and Frankfurt allowing Conway Mackenzie to efficiently service companies with operations in multiple locations.



## Middle market turnaround and restructuring consulting firm

- ▶ Restructuring, due diligence, interim management, litigation support, and capital advisory services
- ▶ Advise debtors, creditors, and other stakeholders
- ▶ Regularly assume the role of Chief Restructuring Officer, financial advisor, investment banker, and interim management

## Staffing model based on small, senior based teams

- ▶ Approximately 70 professionals across eight domestic offices
- ▶ CPAs, former CFOs, CEOs, bankers, private equity managers

Aerospace	Financial & Professional Services
Agribusiness	Food Services & Restaurants
Automotive	Healthcare
Consumer Products	Heavy Industry, Steel
Contracting	Manufacturing
Energy	Packaging and Distribution
Entertainment	Process Industries
Environmental	Pulp and Paper
	Research and Development
	Real Estate
	Retail
	Technology, Telecom
	Transportation



# TURNAROUND MANAGEMENT CONSULTING

CONWAY MACKENZIE

► **Turnaround Management Consulting** – Providing immediate and effective hands-on financial, operational and strategic assistance to the senior management of companies experiencing adverse conditions. We guide our clients through crises whether out-of-court or in bankruptcy. Certified Turnaround Professionals:

- ☐ Preserve capital
- ☐ Create value
- ☐ Re-establish credibility and communication between the company and its constituencies
- ☐ Develop and implement a plan to improve cash flow and restore earnings

► **Restructuring and Reorganization** – Once a turnaround strategy has been developed and implemented, our firm can assist with the restructuring of the company's balance sheet, either out of court or in bankruptcy.

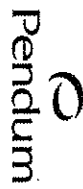
- ☐ Development of proposed capital structures that are in line with the company's and its constituents' goals and consistent with projected cash flow
- ☐ Establishing valuation criteria and ranges for capital structures with various forms of capital
- ☐ Preparation of ratio analysis for proposed capital structures
- ☐ Preparation of confidential offering materials, as necessary, to attract new capital
- ☐ Structuring and negotiating transactions with capital sources
- ☐ Coordinating due diligence and other activities related to finalizing a transaction

► **Bankruptcy/Fiduciary Services** – Providing reorganization services, including financial consulting and accounting to the debtor, unsecured creditors' committee, trustee or secured creditor:

- ☐ Analysis of financial health of debtor
- ☐ Development or review of plan of reorganization
- ☐ Determination of assets and business valuation
- ☐ Act as Chapter 11 operating trustee
- ☐ Assist Chapter 7 trustees with asset liquidations and fraudulent conveyance recovery actions
- ☐ Conduct asset sales under § 363 of the United States Bankruptcy Code



Conway Mackenzie provided restructuring, turnaround management and financial advisory services to the Company during its Chapter 11 case.



Conway Mackenzie provided financial advisory services to the Company.



Conway Mackenzie provided financial advisory services to the Company.



Conway Mackenzie provided interim management financial advisory services to the Company.



Conway Mackenzie acted as Board Director and CFO and provided turnaround management services to the Company.



Conway Mackenzie provided financial advisory services to the Company.



Conway Mackenzie provided financial & operational advisory services to the Company.



Conway Mackenzie provided financial advisory services to the Company.

TRANSACTION ADVISORY SERVICES

CONWAY MACKENZIE

► Conway Mackenzie's Transaction Advisory practice provides a comprehensive approach to maximizing value for our clients in the transaction process. Our approach combines financial, operational and strategic expertise in evaluating the overall strengths and weaknesses of a company and in developing value-enhancing solutions to our clients. We work closely with other professionals to ensure a seamless integration of the transaction team, including legal, tax, employee benefits and information technology specialists.

► Conway Mackenzie's Transaction Advisory Expertise Serves:

- ☐ Equity sponsors in assessing potential acquisitions, investments or divestitures
- ☐ Corporate entities looking to make strategic acquisitions, investments, joint ventures or divestitures
- ☐ Lenders interested in extending additional credit, converting debt-to-equity or participating in rights offerings. Our consultants provide clients with an overall objective review of commercial and operating activities and cost structures to optimize their competitive advantage. By identifying opportunities for improvement, we help companies improve profit and cash flow and ultimately grow shareholder value.



- ▶ The Conway Mackenzie team consists of professionals with varying backgrounds, including: owner/operators of businesses, CEOs, COOs, CFOs, CPAs, private equity investors and individuals with commercial banking, purchasing and engineering backgrounds that bring unique expertise to each transaction.
- ▶ The benefits of our approach, expertise and team to your transaction needs are:
  - ❑ Our experience obtained from managing and restructuring companies in distressed situations helps us identify the issues common to failed businesses. We apply the lessons learned to each transaction
  - ❑ Our cross-functional analysis is tailored for each transaction - we identify the value drivers of the business today and into the future
  - ❑ Our financial management and operating backgrounds assists us not only in identifying transaction, performance, integration, carve-out and other issues; but also in developing and executing plans to address each of the issues
  - ❑ Our ability and experience to be involved in all aspects of the transaction, from origination to execution to ultimate realization, allows us to forge true partnerships with our clients based upon maximizing transaction value

► **Buy-Side Services** – Our buy-side due diligence services have been tailored to maximize the value of each transaction for our clients through an integrated team of financial, operational and strategic experts focusing on the following key areas:

- ☐ Quality of revenues, EBITDA and cash flows
- ☐ Assessment of business plan opportunities and risks
- ☐ Strategic assessment of the business
- ☐ Working capital and near-term liquidity requirements
- ☐ Analysis of other balance-sheet items, including off-balance sheet and contingent liabilities
- ☐ Capital expenditure needs
- ☐ Detail profitability and cash driver analysis
- ☐ Contract review and negotiations

► **Sell-Side Services** – Our sell-side services have been tailored to include the analysis a typical buyer would perform to identify the issues up-front and develop value-enhancing solutions to address them in the deal process. We support management in the following areas:

- ☐ Sell-side diligence similar to services a typical buyer would perform
- ☐ Management presentations
- ☐ Coordination with other advisors
- ☐ Deal negotiations
- ☐ Post-closing, purchase price adjustment mechanisms
- ☐ Carve-out assistance

► **Post-Acquisition Advisory Services** – We have capabilities that extend beyond completing a transaction. We ensure that the returns and value anticipated from the transaction are preserved post-acquisition through the following service offerings:

- ☐ Post-closing purchase price adjustment mechanisms
- ☐ Interim management through periods of transition
- ☐ Post-acquisition integration and restructuring
- ☐ Carve-out execution and the development of stand-alone infrastructure
- ☐ Implementation and management of transition services agreements
- ☐ Performance and strategy improvement and execution
- ☐ Supply chain process improvement and execution
- ☐ Purchasing process improvement and execution

## DELPHI

Conway Mackenzie acted as financial advisor to Elliott Associates, L.P. in regards to the recapitalization by Delphi Holdings LLP of substantially all of Delphi Corporation's global core businesses as part of the consummation of the Delphi Corporation Modified Plan of Reorganization.

## TOWER AUTOMOTIVE

Conway Mackenzie provided financial and operational due diligence services for creditors contemplating additional investments in the Company.

## Collins & Aikman

Conway Mackenzie provided operational due diligence services for a consortium of private equity funds contemplating investments in the Company.

## MSP TECHNITION

Conway Mackenzie assisted the Company with the development of an investment thesis to restructure global sourcing and supply chain strategies.

## Spall

Conway Mackenzie provided operational advisory services to the Company.

## DURA Automotive Systems

Conway Mackenzie provided financial and operational due diligence services for creditors considering providing a revised DIP loan to the Company.

## barjan<sup>llc</sup>

Conway Mackenzie assisted the Company with the development of an investment thesis to restructure global sourcing and supply chain strategies.



COOPER STANDARD™

Conway Mackenzie provided financial and operational due diligence services for an investor interested in the Company.

# CONWAY MACKENZIE LITIGATION SUPPORT SERVICES

CONWAY MACKENZIE

- ▶ Conway Mackenzie's litigation support consultants are specialists in providing litigation support services in matters requiring business valuation, fraud investigation, financial analysis, expert testimony and economic damage quantification.
- ▶ Our litigation support consultants are among the most credentialed in the business and include Certified Public Accountants, Accredited in Business Valuation, Certified Valuation Analysts, Certified Fraud Examiners and Certified in Financial Forensics.
- ▶ Our qualifications, commitment to rigorous analysis and thorough preparation have earned us a reputation for providing credible and effective expert testimony.
- ▶ Conway Mackenzie consultants have provided effective testimony in bankruptcy and commercial litigation, including business viability and Chapter 11 confirmation standards; accounting and auditing professional practice standards; valuation; bankruptcy recovery actions; solvency and insolvency; economic damages; causation and mitigation of damages; valuations in a variety of settings; and many others.
- ▶ We achieve results through analysis, investigation, preparation and testimony.



## Fraud & Forensic Accounting Investigations

Conway Mackenzie's Certified Fraud Examiners utilize accounting, auditing and investigative skills when conducting an investigation. We are able to communicate financial information clearly and concisely in a legal setting. Our years of experience have created a team that can see through distractions and effectively evaluate all situations.

Our services in this area include:

- ☐ Quantification of financial and other business losses arising from fraud
- ☐ Reconstruction of financial transactions from incomplete or falsified records
- ☐ Evaluation of appropriateness of accounting transactions
- ☐ Identification of missing assets
- ☐ Investigation of employee fraud
- ☐ Analysis of fraud prevention systems
- ☐ Discovering financial schemes
- ☐ Tracing illicit transactions
- ☐ Analysis of fraudulent conveyance claims
- ☐ Money laundering
- ☐ Expert testimony

## Quantification of Economic Damages

Conway Mackenzie has quantified lost profits and other economic damages in virtually all types of litigation including, but not limited to, the following:

- |  |   |
|--|---|
| <input type="checkbox"/> Securities violations | <input type="checkbox"/> Wrongful death           |
| <input type="checkbox"/> Fraud                 | <input type="checkbox"/> Breach of contract       |
| <input type="checkbox"/> Business interruption | <input type="checkbox"/> Employment disputes      |
| <input type="checkbox"/> Shareholder disputes  | <input type="checkbox"/> Lender liability         |
| <input type="checkbox"/> Business tort         | <input type="checkbox"/> Antitrust                |
| <input type="checkbox"/> Patent infringement   | <input type="checkbox"/> Professional malpractice |
| <input type="checkbox"/> Personal injury       | <input type="checkbox"/> Condemnation             |

## Business Valuations

Conway Mackenzie has performed business valuations and provided expert testimony related thereto, in a variety of settings, including the following:

- |   |   |
|---|---|
| <input type="checkbox"/> Securities                       | <input type="checkbox"/> Lender liability claims        |
| <input type="checkbox"/> Share value                      | <input type="checkbox"/> Condemnation                   |
| <input type="checkbox"/> Fraudulent conveyance litigation | <input type="checkbox"/> ESOP transactions              |
| <input type="checkbox"/> Bankruptcy reorganization        | <input type="checkbox"/> Buy/sell agreements            |
| <input type="checkbox"/> Contractual disputes             | <input type="checkbox"/> Intellectual property disputes |
| <input type="checkbox"/> Leveraged buyouts                | <input type="checkbox"/> Divorce                        |
| <input type="checkbox"/> Shareholder suits                | <input type="checkbox"/> Other commercial litigation    |
| <input type="checkbox"/> Gift and estate tax resolution   |   |

Performed forensic accounting analysis related to fraudulent actions by one party involved in a real estate partnership. Conway Mackenzie's analysis discovered and quantified the severity of the fraud.

Performed forensic accounting analysis related to the collapse of a Canadian insurance company, including the identification and quantification of fraud and the valuation of assets related to a pursuit of claims against various third parties.

Performed a damage assessment for the bankrupt estate of a retailer related to a professional malpractice claim against a Big Four accounting firm. Conway Mackenzie's deposition testimony was instrumental in reaching a settlement.

Provided litigation support and financial advisory services to a management company in connection with the preparation and presentation of fund performance information to investors in its risk-linked hedge funds.

Performed a comprehensive evaluation of an ordinary course of business defense for a tooling and die manufacturer in the automotive industry related to a preference action.

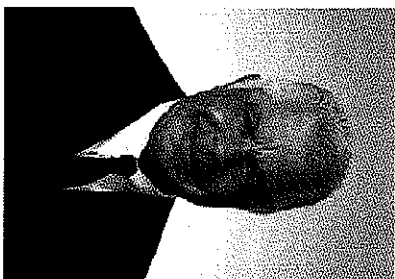
Assessed economic damages related to a breach of contract between an automotive original equipment manufacturer and an automotive supplier.

Performed forensic accounting analysis for an unsecured creditor's committee pursuing alleged fraudulent conveyances related to an LBO transaction for an automotive supplier.

Assessed economic damages related to a breach of contract not to sell similar products in a retail store as others in the same shopping center.

**VAN E. CONWAY**

**VCONWAY@CONWAYMACKENZIE.COM**



Van Conway is nationally recognized in the fields of insolvency/bankruptcy; financing, reorganization and management of troubled companies; mergers and acquisitions; debt restructuring; and litigation support. Mr. Conway has provided advisory services to underperforming businesses and related parties for nearly thirty years and is a Certified Turnaround Professional, Certified Insolvency and Restructuring Advisor and Certified in Distressed Business Valuation. He has been engaged as a turnaround consultant and financial advisor to clients in various industries, including: automotive, manufacturing, steel, service, transportation, distribution and contracting. As a financial advisor, he has worked closely with debtors, lenders and creditor committees in out-of-court or Chapter 11 restructurings and has provided consulting services in turnaround, profit enhancement and cost reduction strategies.

In the area of litigation support services, Mr. Conway is uniquely qualified to provide expert testimony on lost profits, economic damages, business valuation and related matters. As a Certified Public Accountant and Certified Fraud Examiner he also offers assistance with fraud related issues, including detection, investigation and quantification.

As one of the founders of Conway Mackenzie, Mr. Conway has been with the firm since its inception in 1987. Previously, he was a Partner at Deloitte & Touche where he specialized in insolvency, litigation, and mergers and acquisitions.

Mr. Conway is a member of the Turnaround Management Association as well as numerous other professional organizations. He is a Certified Valuation Analyst and is Accredited in Business Valuation and Certified in Financial Forensics by the American Institute of Certified Public Accountants. He has a Bachelor of Science in Business Administration from John Carroll University and a Master of Business Administration from the University of Detroit. Additionally, he has served on several corporate Boards of Directors and frequently writes and speaks on the topics of managing troubled companies and litigation support.

**POSITION:** Chief Executive Officer & President, Conway Mackenzie, Inc.

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Birmingham, Michigan 48009  
(248) 433-3100

**EDUCATION AND PROFESSIONAL AFFILIATIONS (PAST AND PRESENT):**

John Carroll University, B.S.B.A.  
University of Detroit, M.B.A.  
Adjunct Faculty Member - Walsh College  
American Arbitration Association Business Valuation Panel  
American College of Bankruptcy - Fellow  
American Society of Appraisers  
American Bankruptcy Institute  
American Institute of Certified Public Accountants (CPA, ABV and CFF Certified)  
Association for Corporate Growth  
Association of Certified Turnaround Professionals (Certified Turnaround Professional)  
Association of Insolvency and Restructuring Advisors (Certified Insolvency and  
Restructuring Advisor/Certified in Distressed Business Valuation)  
Commercial Law League of America  
Conway & Charles CPA Exam Review  
Michigan Bankers Association  
Michigan Association of Certified Public Accountants  
National Association of Bankruptcy Trustees  
National Association of Certified Fraud Examiners (Certified Fraud Examiner)  
National Association of Certified Valuation Analysts (Certified Valuation Analyst)  
National Association of Credit Management  
Oakland County Bar Foundation  
Turnaround Management Association

**CIVIC/SOCIAL/BUSINESS INTERESTS (PAST AND PRESENT):**

Board of Trustees - Walsh College  
Board of Trustees and Finance Committee - The William Beaumont Hospital  
Board of Trustees - Center for Creative Studies  
Board of Directors - Jervis B. Webb Company (Past)  
Board of Directors - Noble International (Past)  
Board of Directors - Onset BIDCO, Inc.  
Board of Directors - Wayne County Youth Fund  
Detroit Athletic Club  
Detroit Chamber of Commerce  
Detroit Investment Fund - Investment Committee  
Detroit Medical Center - Temporary Oversight Committee  
Economic Club of Detroit  
Ernst & Young Entrepreneur of the Year (2004)  
Michigan High School Academic/Athlete of the Year Committee

**CIVIC/SOCIAL/BUSINESS INTERESTS (PAST AND PRESENT)-Continued:**

Oakland County Pension Fund  
Oakland Hills Country Club  
Old Newsboys' Goodfellows  
The Hundred Club

**VAN E. CONWAY**

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**SPEAKER AT:**

American Bankruptcy Institute  
American Bar Association  
Association for Corporate Growth  
Association of Insolvency and Restructuring Advisors  
Cooley Law School  
Corporate Reorganizations Annual Conference  
Federal Bar Association - Western District of Michigan  
Financial Transactions Institute  
Institutional Investor - Turnaround Management Conference  
International Right of Way Association  
Michigan Association of Certified Public Accountants  
Michigan State Eli Broad Conference  
National Employment Law Institute

**EMPLOYMENT HISTORY:**

**1987 to Present -**

Partner of Conway Mackenzie, Inc. specializing in insolvency/bankruptcy matters, trustee/receivership engagements, turnaround and crisis management, profit enhancement, mergers and acquisitions, business valuations, raising of debt/equity capital, fraud investigations and litigation assistance including accounting/financial/economic expert testimony in a variety of areas.

**1974 to 1987 -**

CPA/Partner at Deloitte Haskins & Sells (one of the international accounting and consulting firms that is now called Deloitte & Touche).



**AREAS OF PROFESSIONAL SPECIALIZATION:**

- ▶ Valuation of assets and/or businesses for parties in dispute (contractual disagreements, divorce, bankruptcy, intellectual property, etc.) and other matters, such as merger and acquisition transactions, ESOP's, debt/equity capital transactions, etc.
- ▶ Quantification of economic damages and/or provided expert testimony in matters involving business fraud, employee wrongful termination, business interruption claims, divorce litigation, personal injury, CPA/auditor negligence, insurance claims, bankruptcy reorganization, etc.
- ▶ Lender liability cases which involve evaluation of the lender's decisions and procedures in the areas of lending policies, trust department policies, refinancing actions, liquidation decisions and have provided expert testimony on quantification of damages relative to business valuations and lost profits.
- ▶ Turnaround management which includes analyzing operations, marketing, management, manufacturing and financial history of a business and development of an overall plan for turnaround, sale or liquidation. Have represented either the debtor/company or interested parties such as banks, venture capitalists, equity participants, etc. (concentrated in a variety of industries including manufacturing, transportation, service, distribution, health care, hospitality including restaurants, hotels and golf courses, etc.).
- ▶ As Partner-in-Charge of the Emerging Business Services Department (35 professionals) of the Detroit office of Deloitte Haskins & Sells, one of our primary areas of expertise in serving clients was raising debt or equity capital for growth oriented companies. Represented clients in acquiring, negotiating and structuring fixed asset financing, working capital financing and real estate financing including lease negotiations. In addition, we prepared or evaluated business plans and financial projections for growth oriented companies seeking outside financing.
- ▶ Preparation of financial projections for turnaround transactions, liquidation transactions, valuations, economic loss disputes, merger and acquisition transactions, joint venture agreements, debt and equity financing packages, etc.